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SWIDLER BERLIN SHEREFF FRIEDMAN, LLP

THE WASHINGTON HARBOUR  
3000 K STREET, NW, SUITE 300

WASHINGTON, DC 20007-5516

TELEPHONE (202) 424-7500

FACSIMILE (202) 424-7643

WWW.SWIDLAW.COM

P.R.A. DOCKET ROOM

NEW YORK OFFICE  
THE CHRYSLER BUILDING  
405 LEXINGTON AVENUE  
NEW YORK, NY 10174  
TELEPHONE (212) 973-0111  
FACSIMILE (212) 891-9598

October 31, 2003

**BY OVERNIGHT DELIVERY**

Sharla Dillon  
Dockets and Record Manager  
Tennessee Regulatory Authority  
460 James Robertson Parkway  
Nashville, TN 37243-0505

03-00580

**Re: Petition of Primus Telecommunications, Inc. and Least Cost Routing,  
Inc. d/b/a/ LCR for Small Businesses Inc. for Approval of a Pro  
Forma Transfer of Control**

Dear Ms. Dillon:

On behalf of Primus Telecommunications, Inc. and Least Cost Routing, Inc. d/b/a/ LCR for Small Businesses Inc. ("Petitioners"), enclosed for filing are an original and thirteen (13) copies of the above-referenced Petition. Also enclosed is a check in the amount of \$25.00 for the filing fee.

Please date-stamp the extra copy and return it in the self-addressed, postage-paid envelope provided. Should you have any questions regarding this matter please do not hesitate to contact Doug Orvis at (202) 945-6941.

Respectfully submitted,



Catherine Wang  
Douglas D. Orvis II

Counsel for Petitioners

Enclosure

cc: Kathleen Kerr Lawrence (PTI)

**BEFORE THE  
TENNESSEE REGULATORY AUTHORITY  
NASHVILLE, TENNESSEE**

\_\_\_\_\_  
In the Matter of the Joint Petition of )  
 )  
 )

**Primus Telecommunications, Inc. and** )  
**Least Cost Routing, Inc. d/b/a LCR for** )  
**Small Businesses Inc.** )

Case No. \_\_\_\_\_

)  
 )  
 )  
for Approval of a *Pro Forma* Transfer of Control )  
\_\_\_\_\_ )

**PETITION AND REQUEST FOR EXPEDITED TREATMENT**

Primus Telecommunications, Inc. ("PTI") and Least Cost Routing, Inc. d/b/a/ LCR for Small Businesses Inc. ("LCR") (collectively "Petitioners"), by its undersigned counsel and pursuant to Section 65-4-113 of the Tennessee Code, Tenn. Code Ann. §65-4-113, hereby respectfully requests approval from the Tennessee Regulatory Authority ("Authority") for a proposed *pro forma* transfer of control of PTI, a company authorized to provide telecommunications service in the State of Tennessee. As discussed below, the Petitioner's parent company, Primus Telecommunications Group, Incorporated, for business and financial reasons, plans to create a new, intermediate holding company will become the direct corporate parent of PTI and a new, intermediate holding company for Least Cost Routing.

The Petitioners emphasize that the transfer of control described herein is *pro forma* in nature because it will not result in a change in the ultimate control of either PTI or LCR or otherwise change the operations of the Petitioners. The proposed *pro forma* transaction will not involve an assignment of any certification or a change in the day-to-day operations of any certificated company. In addition, there will be no change in the services offered to customers or the rates for regulated services. The transaction will be completely transparent to PTI's and

LCR's customers. The Petitioners submit that this transaction will serve the public interest and, therefore, requests approval of this Petition. Because time is of the essence in this transaction, the Petitioners respectfully request that this Petition be approved no later than December 10, 2003.

In support of this Petition, Petitioners submit the following information:

**I. THE PETITIONERS**

**A. PRIMUS TELECOMMUNICATIONS, INC.**

PTI is a corporation organized pursuant to the laws of the State of Delaware and maintains its principal offices at 1700 Old Meadow Road, McLean, Virginia 22102. PTI is a wholly owned subsidiary of Primus Telecommunications Group, Incorporated ("PTGI"), a Delaware Corporation that is publicly traded on the NASDAQ stock exchange under the symbol "PRTL." PTGI holds no regulatory licenses from this or any other regulatory commission.

PTI is authorized to provide resold interexchange telecommunications services in the state of Tennessee pursuant certification granted by the Authority in Case No. 95-03981 (Feb. 20, 1996). PTI is authorized to provide interexchange telecommunications services in 48 other states and the District of Columbia pursuant to certification, registration or tariff requirements, or on a deregulated basis. PTI is also authorized by the Federal Communications Commission to provide interstate and international services as a non-dominant carrier. Finally, PTI also holds competitive local exchange carrier authority in 11 states and the Commonwealth of Puerto Rico.

**B. LEAST COST ROUTING, INC.**

LCR is a Florida corporation that also maintains its principal offices at 1700 Old Meadow Road, McLean, Virginia 22102. LCR is authorized to provide interchange services in numerous states. LCR is a wholly owned subsidiary of TresCom International Inc., a Florida corporation

with the sole purpose of serving a telecommunications holding company ("TresCom"). TresCom, in turn, is wholly owned by PTGI. Thus, the insertion of a new holding company beneath PTGI, and above TresCom will have the effect of causing a pro forma transfer of control on LCR. In Tennessee, LCR is authorized as a reseller of interexchange telecommunications services with Company ID No. 00124899.

## **II. DESIGNATED CONTACTS**

The designated contacts for questions concerning this Petition are:

Catherine Wang  
Douglas D. Orvis II  
Swidler Berlin Shereff Friedman, LLP  
3000 K Street, NW, Suite 300  
Washington, D.C. 20007  
Tel.: (202) 945-6941  
Fax: (202) 424-7645  
Email: DDOrvis@swidlaw.com

with a copy to:

Kathleen Kerr Lawrence  
Assistant General Counsel  
Primus Telecommunications, Inc.  
1700 Old Meadow Road  
McLean, VA 22102  
Tel: (703) 394-4503  
Email: klawrence@primustel.com

## **III. DESCRIPTION OF PROPOSED *PRO FORMA* TRANSACTION**

PTI and LCR request Authority approval for a proposed transaction that will result in a *pro forma* transfer of control of the Petitioners. For business and financial reasons, PTGI wishes to create an intermediate holding company which will become the direct corporate parent of PTI and of TresCom. This new company, Primus Telecommunications Holding, Inc. ("Holding"), is a Delaware corporation created specifically to serve as an intermediate holding company for PTGI. At the conclusion of the transaction, PTI and TresCom will be a 100 percent direct

subsidiary of Holding. Holding, in turn, will be a 100 percent direct subsidiary of PTGI. Thus, at the conclusion of the transaction, PTI and LCR will continue to be, ultimately, owned and operated by PTGI.

Consistent with the *pro forma* nature of this transaction, PTI and LCR do not propose to change the name under which PTI and LCR currently operate or any other aspect of the manner in which PTI and LCR currently offer service in the State of Tennessee. Immediately following the proposed transaction, PTI and LCR will continue to offer the services they currently offer with no change in the rates, terms, or conditions of service. Thus, the *pro forma* transfer of control will be completely transparent to PTI's and LCR's customers in the State of Tennessee with respect to the services that they receive and, therefore, will not cause customer confusion or inconvenience.

#### **IV. PUBLIC INTEREST CONSIDERATIONS**

The proposed transaction will serve the public interest by enabling PTI and TresCom and their owners to improve the operational and cost efficiencies of PTI's and LCR's business. The proposed transaction will also enhance PTI's and LCR's operational flexibility by providing PTGI and Holding with greater flexibility in financing. By reorganizing the PTGI family of companies in this way, PTI and LCR will be in a better position to offer a broader array of high quality customer services at affordable rates. The proposed transaction will thus serve the public interest by promoting competition and providing consumer benefits. The proposed transaction will directly benefit Tennessee consumers by facilitating the continued provision of innovative, high-quality telecommunications services to the public and thereby promoting competition in the Tennessee telecommunications service market.

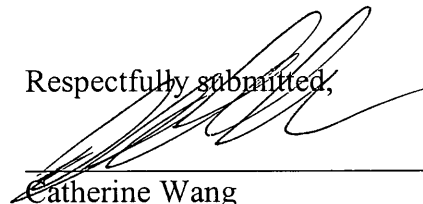
**V. REQUEST FOR EXPEDITED TREATMENT**

Because time is of the essence for this transaction, the Petitioners respectfully request that this matter be considered on an expedited basis. In order to facilitate business and financial plans of PTI and Holding, it is essential that this Petition be approved in an expedited manner. Specifically, the Petitioners respectfully requests that the Authority take all necessary actions to allow the transaction described herein to be consummated no later than December 10, 2003.

**VI. CONCLUSION**

Wherefore, for the reasons stated herein, Petitioners respectfully request that the Authority approve this Petition to permit the proposed *pro forma* transfer of control as described herein.

Respectfully submitted,



Catherine Wang  
Douglas D. Orvis II  
Swidler Berlin Shereff Friedman, LLP  
3000 K Street, NW, Suite 300  
Washington, D.C. 20007  
Tel.: (202) 945-6941  
Fax: (202) 424-7645

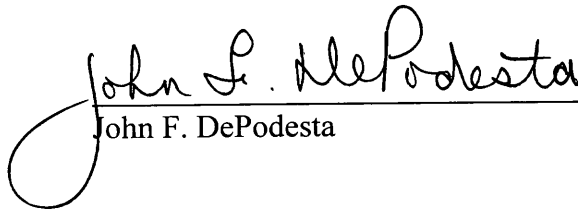
COUNSEL FOR PETITIONERS

Dated: October 31, 2003

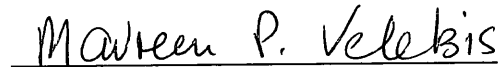
COMMONWEALTH OF VIRGINIA        )  
  )  
COUNTY OF FAIRFAX                )        ss:

**VERIFICATION**

I, John F. DePodesta, state that I am an officer of Primus Telecommunications, Inc. and Least Cost Routing, Inc., the Applicants in the foregoing Application; that I am authorized to make this Verification on behalf of the Applicants; that the foregoing Application was prepared under my direction and supervision; and that the contents are true and correct to the best of my knowledge, information, and belief.

  
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John F. DePodesta

Sworn and subscribed before me this 30 day of October, 2003.

  
\_\_\_\_\_  
Notary Public

My commission expires April 30, 2006